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VERNON PARISH ASSESSOR

LEESVILLE, LOUISIANA

Financial Statements

December 31, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/15/09

VERNON PARISH ASSESSOR

Financial Statements
December 31, 2008

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UNQUALIFIED OPINION ON GENERAL-PURPOSE FINANCIAL STATEMENTS-GOVERNMENTAL ENTITY

INDEPENDENT AUDITOR'S REPORT

Vernon Parish Assessor
Leesville, Louisiana:

I have audited the accompanying general-purpose financial statements of the Vernon Parish Assessor as of and for the year ended December 31, 2008, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Vernon Parish Assessor's management. My responsibility is to express an opinion on these general-purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general-purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Vernon Parish Assessor as of and for the year ended December 31, 2008, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 30, 2009 on my consideration of the Vernon Parish Assessor's internal control over financial reporting and my tests of its compliance with laws, regulations, contracts and grants.

My audit was performed for the purpose of forming an opinion on the basic financial statements of the Assessor's office taken as a whole. The accompanying schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Elliott & Assoc. "APAC"
Leesville, Louisiana
June 30, 2009

REQUIRED SUPPLEMENTAL INFORMATION

PART 1

Management's Discussion and Analysis

Our discussion and analysis of the Vernon Parish Assessor financial performance provides an overview to the Assessor's financial activities for the year ended December 31, 2008. Please read in conjunction with The Assessor's basic financial statements which began on page 10.

Financial Highlights

*The Assessor's total assets decreased by \$23,396 during the year ended December 31, 2008. The decrease in total assets is attributable to substantial increase in capital outlay partially offset by depreciation.

*There was also a decrease of \$35,244 in unrestricted net assets. Unrestricted net assets are those assets available to meet the day to day operating needs of the Assessor.

Using This Annual Report

This annual report consists of Management's Discussion and Analysis, the basic financial statements, and notes to the financial statements. Management's Discussion and Analysis provides a narrative of the Assessor's financial performance and activities for the year ended December 31, 2008. The basic financial statements provide readers with a broad overview of the Assessor's finances, in a manner similar to a private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Reporting the Board as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Assessor's net assets and changes in them. The Assessor's net assets, the difference between assets and liabilities, measure the Assessor's financial position. The increases or decreases in the Assessor's net assets are an indicator of whether its financial position is improving or deteriorating.

Currently, Assessor has only governmental activities that provide for personnel, equipment, supplies, and other cost related to the proper administration of the Vernon Parish Assessor. Primarily, court cost, fees, grants, and interest finance these activities.

Financial Analysis of the Board as a Whole

Fund Financial Statements

The fund financial statements provide detailed information about the Board, not the court as a whole. These funds are reported using an accounting method called modified accrual accounting, which measure only cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Board's operations and the services it provides. Governmental fund information helps you determine the amount of financial resources available to be spent in the near future to finance the Board's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and the governmental funds are shown in a reconciliation following the fund financial statements.

A summary of net assets is presented on the next page.

VERNON PARISH ASSESSOR
December 31, 2008
Management's Discussion and Analysis

Table 1
Net Assets

	<u>2008</u>	<u>2007</u>	<u>%Change</u>
Current Assets	\$ 127,314	\$146,712	(13.22%)
Capital Assets, net of depreciation	<u>69,463</u>	<u>73,461</u>	<u>(5.44%)</u>
Total Assets	<u>196,777</u>	<u>220,173</u>	<u>(10.63%)</u>
Current Liabilities	15,844	(2)	100%
Noncurrent Liabilities	<u>—</u>	<u>—</u>	<u>----</u>
Total Liabilities	<u>15,844</u>	<u>(2)</u>	<u>100%</u>
Invested in capital assets	69,463	73,461	(5.44%)
Unrestricted net assets	<u>111,470</u>	<u>146,714</u>	<u>(24.02%)</u>
Total Net Assets	<u>\$180,933</u>	<u>\$220,175</u>	<u>(17.82%)</u>

Invested in capital assets represent the Assessor's long-term investment in capital assets, net of accumulated depreciation and is not available for current operations.

A summary of changes in net assets is presented below for the years ended December 31, 2008 and 2007:

Table 2
Changes in Net Assets

	Year ended <u>2008</u>	December 31 <u>2007</u>	<u>% Change</u>
Operating revenues (charges for services, leases and other)	\$ 4,446	\$ 2,004	111.88%
Non-operating revenues (government subsidies and interest income)	<u>636,450</u>	<u>668,456</u>	<u>(4.79%)</u>
Total Revenues	<u>640,896</u>	<u>670,460</u>	<u>(4.41%)</u>
Operating expenses:			
Depreciation	32,046	32,669	(1.90%)
Other operating expenses	<u>645,429</u>	<u>579,179</u>	<u>11.44%</u>
Total Expenses	<u>677,475</u>	<u>611,848</u>	<u>10.72%</u>
Increase (Decrease) in net assets	<u>\$ (36,579)</u>	<u>\$ 58,612</u>	<u>(162.41%)</u>

VERNON PARISH ASSESSOR
December 31, 2008

Management's Discussion and Analysis

Capital Assets

At December 31, 2008 and 2007, the Assessor had \$69,463 and \$ 73,411 respectively, invested in capital assets, at net value after depreciation for 2008. There was \$7,826 in equipment additions during the year ended December 31, 2008 and \$0 in deletions.

Debt

The Assessor has no debt.

General Fund Budgetary Highlights

The Vernon Parish Assessor adopted a budget for its Combined Assessor for the year ended December 31, 2008. There was one set of adjustments made to the budget during the year. The Vernon Parish Assessor budgetary comparison is presented as required supplementary information and shown on page 28.

Economic Factors and Next Year's Budget

The Thirtieth Judicial District Court Board's Indigent Defender Board elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Ad valorem tax revenue
- 2) Intergovernmental revenues (state and local grants); fees and services
- 3) Personal services expenses
- 4) Operating services expenses

The Vernon Parish Assessor does not expect any significant changes in next year's results as compared to the current year.

Contacting the Court's Financial Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional information, contact James Johnson, Vernon Assessor, at P.O. Box 1535, Leesville, LA 71496.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement AVERNON PARISH ASSESSOR
Statement of Net Assets
December 31, 2008

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 127,314
Capital assets (net)	<u>69,463</u>
TOTAL ASSETS	<u>\$ 196,777</u>
LIABILITIES	
Accounts, salaries, and other payables	<u>\$ 15,844</u>
TOTAL LIABILITIES	<u>\$ 15,844</u>
NET ASSETS	
Invested in capital assets	\$ 69,463
Unrestricted	<u>111,470</u>
TOTAL NET ASSETS	<u>\$ 180,933</u>

The accompanying notes are an integral part of this statement.

Statement B

VERNON PARISH ASSESSOR
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Fund
For the Year Ended December 31, 2008

	<u>GENERAL FUND</u>
Expenses:	
Personal services	\$ 545,708
Operating services	59,123
Office supplies and expenses	46,315
Travel	<u>26,329</u>
Total Program Expenses	\$ <u>677,475</u>
Program revenues - Fees, charges, and commissions for services	<u>4,446</u>
Net Program Expenses	<u>673,029</u>
General revenues:	
Taxes -ad valorem	557,101
Intergovernmental- state funds- state revenue sharing	64,114
Sale of assets	5,420
Interest earned	<u>9,815</u>
Total General Revenues	<u>636,450</u>
Change in Net Assets	(36,579)
Net Assets- Beginning of year	<u>217,512</u>
Net Assets- End of year	<u>\$ 180,933</u>

FUND FINANCIAL STATEMENTS

VERNON PARISH ASSESSOR
Leesville, LouisianaBalance Sheet, Governmental Fund
December 31, 2008

	<u>GENERAL FUND</u>
ASSETS	
Cash and cash equivalents	\$ <u>127,314</u>
TOTAL ASSETS	<u>127,317</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts, salaries, and other payables	\$ <u>15,844</u>
TOTAL LIABILITIES	<u>15,844</u>
Fund Balance:	
Unreserved, reported in:	
General Fund	<u>111,470</u>
Total Fund Balance	<u>111,470</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>111,470</u>

VERNON PARISH ASSESSOR
Reconciliation of the Governmental Fund Balance Sheet
To the Statement of Net Assets
December 31, 2008

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Total Fund Balance for Governmental Fund (Statement C)	\$ 111,470
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Capital assets used in governmental activities are not financial resources and therefore, are not reported in the government funds. Those assets consist of:

Autos and equipment, net of \$190,084 in accumulated depreciation	<u>69,463</u>
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Total Net Assets of Governmental Activities (Statement A)	<u>\$ 180,933</u>
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The accompanying notes are an integral part of this financial statement.

VERNON PARISH ASSESSOR
Leesville, LouisianaGovernmental Fund
Statement of Revenues, Expenditures,
and Changes in Fund Balance

For the Year Ended December 31, 2008

REVENUES

Taxes - ad valorem	\$	557,101
Intergovernmental revenues - state grants- state revenue sharing		64,114
Fees, charges, and commissions for services		4,446
Sale of asset		5,420
Use of money and property - interest earnings		<u>9,815</u>
Total Revenues	\$	<u>640,896</u>

EXPENDITURES

Current:

General government - taxation:		
Personal services		545,708
Operating services		59,123
Office supplies and expenses		46,315
Capital outlay		---
Travel and other charges		<u>26,329</u>
Total Expenditures		<u>677,475</u>

EXCESS/DEFICIENCY OF REVENUES OVER EXPENDITURES (36,579)

FUND BALANCE AT BEGINNING OF YEAR 148,049FUND BALANCE AT END OF YEAR \$ 111,470

VERNON PARISH ASSESSOR
Reconciliation of the Statements of Revenues, Expenditures
And Changes in Fund Balance of Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2008

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balance Total Governmental Funds (Statement E)	\$ (36,579)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Change in Net Assets of Governmental Activities (Statement B)	<u>\$ (36,579)</u>
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The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS

VERNON PARISH ASSESSOR

Leesville, Louisiana

Notes to the Financial Statements As of and For the Year Ended December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a term of four years, beginning January 1 following the year in which elected. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation, prepares tax rolls, and submits the rolls to the Louisiana Tax Commission and other governmental bodies as prescribed by law. The assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and peculiarly responsible for the actions of the deputies.

The accompanying financial statements of the Vernon Parish Assessor have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements- and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the Statement include the following:

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Vernon Parish Police Jury is the financial reporting entity for Vernon Parish. The financial reporting entity consists of (a) the primary government a (policy jury), (b) organization for which primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)
As of and For the Year Ended December 31, 2008

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Vernon Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. The GASB has set forth criteria to be considered in determining financial accountability. This Criterion includes:

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the assessor's office is located and provides partial funding for equipment, furniture and supplies of the assessor's office, the assessor was determined to be a component unit of the Vernon Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general governmental services provided by that governmental unit, or the other governmental units that comprise the Vernon Parish financial reporting entity.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)

BASIC FINANCIAL STATEMENT- GOVERNMENT -WIDE STATEMENTS

The assessor's basic financial statements include both government-wide (reporting the assessor as a whole) and fund financial statements (reporting the assessor's major fund). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. All activities of the assessor are classified as governmental.

The Statement of Net Assets (Statement A) and the Statement of Activities (Statement B) display information about the reporting government as a whole. These statements include all the financial activities of the assessor.

In the Statement of Net Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets. The assessor first uses restricted resources to finance qualifying activities.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized with the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from non exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchanging Transaction*.

Program Revenues - Program revenues included in the Statement of Activities (Statement B) are derived directly from parties outside the assessor's taxpayers or citizenry. Program revenues reduce the cost of the function to be financed from the assessor's general revenues.

Allocation of Indirect Expenses - The assessor reports all direct expenses by function in the Statement of Activities (Statement B). Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense, which can be specifically identified by function, is included in the direct expenses of each function.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)

BASIC FINANCIAL STATEMENTS- FUND FINANCIAL STATEMENTS

The financial transactions of the assessor are reported in individual funds in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Fund financial statements report detailed information about the assessor. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund entity, revenues, and expenditures. Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. The assessor's current operations require the use of only governmental funds. The governmental fund type used by the assessor is described as follows:

Governmental Fund Type

General Fund - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the assessor and issued to account for the operations of the assessor's office. The various fees and charges due to the assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statement. It relates to the timing of the measurement made regardless of the measurement focus applied.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)

1. Accrual:

The governmental type activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for Governmental funds.

Governmental funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The assessor considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)
As of and For the Year Ended December 31, 2008

Revenues

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due when the tax roll is filed with the reorder of mortgages and become delinquent on December 31. Ad valorem taxes are generally collected in November and December of the current year and January and February of the ensuing year.

Compensation from taxing bodies recorded in the year and ad valorem taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The compensation is generally collected in December of the current year and January of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared.

Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, compensation from taxing bodies, and fees for preparing tax rolls have been treated as susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)

E. CASH AND CASH EQUIVALENTS

Under state law, the assessor may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2008, the assessor has cash and cash equivalents (book balances) totaling \$ 127,314:

Demand deposits	\$ 7,122
Time deposits	<u>120,192</u>
Total	<u>\$ 127,314</u>

The deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash (bank balances) at December 31, 2008, are secured as follows:

Bank balances	\$ <u>127,314</u>
Federal deposit insurance	127,314
Pledged securities (uncollateralized)	<u>---</u>
Total	<u>\$ 127,314</u>

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)
As of and For the Year Ended December 31, 2008

F. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

Capital assets are reported in the government-wide financial statements but not in the fund financial statements. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes by the assessor, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and fixtures	5-10 years
Vehicles	5-15 years
Equipment	5-20 years

G. ANNUAL AND SICK LEAVE

Employees of the assessor's office receive from 10 to 15 days of noncumulative vacation leave each year, depending on length of service. Sick leave is granted at the discretion of the assessor. At December 31, 2008, there are no accumulated and vested benefits relating to vacation and sick leave.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken.

H. RISK MANAGEMENT

The assessor is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the assessor maintains commercial insurance policies covering his automobile, professional liability and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. There were no significant reductions in insurance coverage during the year ended December 31, 2008.

VERNON PARISH ASSESSOR

Leesville, Louisiana

Notes to the Financial Statements (Continued)
As of and For the Year Ended December 31, 2008

2. CHANGES IN CAPITAL ASSETS

A summary of changes in office furnishings and equipment follows:

Balance, January 1, 2008	\$ 251,721
Additions	28,261
Deletions	<u>(20,435)</u>
Balance, December 31, 2008	259,547
Less accumulated depreciation	<u>(190,084)</u>
Net Capital Assets	<u>\$ 69,463</u>

Beginning balance has been restated due to the assessor changing his capitalization policy.

PENSION PLAN

Substantially all employees of the Vernon Parish Assessor's office are members of the Louisiana Assessor's Retirement System (system), a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full-time employees who were employed on or after July 26, 1950 and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of credited service rendered on or before June 30, 1999, and 3.33 per cent of their final-average salary for each year of credited service rendered on or after July 1, 1999, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, 3060 Valley Creek Road, Baton Rouge, Louisiana 70898, or by calling (225)928-8886.

VERNON PARISH ASSESSOR
Leesville, Louisiana

Notes to the Financial Statements (Continued)
As of and For the Year Ended December 31, 2008

Plan members are required by state statute to contribute 8.00 per cent of their annual covered salary and the Vernon Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 14.50 per cent of annual covered payroll. Contributions to the system include one-fourth of one per cent (one per cent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Vernon Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Vernon Parish Assessor's contributions to the system for the years ending December 31, 2008, 2007, and 2006, were \$89,156, \$74,008, and \$53,399, respectively, equal to the required contributions for each year.

4. LITIGATION AND CLAIMS

The Vernon Parish Assessor is not involved in any litigation at December 31, 2008, nor is he aware of any unasserted claims.

REQUIRED SUPPLEMENTARY INFORMATION
PART I

REQUIRED SUPPLEMENTARY INFORMATION
PART II

VERNON PARISH ASSESSOR
Leesville, Louisiana
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2008

	BUDGET	ORIGINAL AMENDED	ACTUAL (BUDGETARY BASIS)	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
Taxes - ad valorem	\$550,000	\$560,000	\$ 557,101	\$ (2,899)
Intergovernmental-state funds				
state revenue sharing	60,000	64,000	64,114	114
Fees, charges, and commissions for services	4,000	4,000	4,446	446
Use of money and property - interest earnings	8,000	5,000	9,815	4,815
Other	—	—	5,420	5,420
Total revenues	<u>622,000</u>	<u>633,000</u>	<u>640,896</u>	<u>7,896</u>
EXPENDITURES				
Current:				
General government - taxation:				
Personal services and related benefits	550,000	545,000	545,708	(708)
Operating services	55,000	59,000	59,123	(123)
Office supplies and expenses	48,000	47,000	46,315	685
Travel and other charges	<u>25,000</u>	<u>26,000</u>	<u>26,329</u>	<u>(329)</u>
Total expenditures	<u>678,000</u>	<u>677,000</u>	<u>677,475</u>	<u>(475)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(56,000)	(44,000)	(36,579)	7,421
FUND BALANCE AT BEGINNING OF YEAR	<u>217,512</u>	<u>217,512</u>	<u>217,512</u>	<u>---</u>
FUND BALANCE AT END OF YEAR	<u>\$161,512</u>	<u>\$173,512</u>	<u>\$ 180,933</u>	<u>\$ 7,421</u>

See accompanying note to budgetary comparison schedule.

**REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
PART III**

ELLIOTT & ASSOCIATES, INC.
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W. Michael Elliott, CPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Vernon Parish Tax Assessor
Leesville, Louisiana

I have audited the financial statements of the Vernon Parish Tax Assessor as of and for the year ended December 31, 2008, and have issued my report thereon dated June 30, 2009. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Vernon Parish Tax Assessor's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, process, record, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Vernon Parish Tax Assessor's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Louisiana Legislative Auditor and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Elliott & Assoc. "APAC"
Leesville, Louisiana
June 30, 2009

VERNON PARISH ASSESSOR
Vernon Parish, Louisiana
Schedule of Findings and Questioned Costs
December 31, 2008

SUMMARY OF AUDITOR'S REPORTS

INDEPENDENT AUDITOR'S REPORT:

I have audited the basic financial statements of the Vernon Parish Assessor, Vernon Parish, Louisiana, as of and for the year ended December 31, 2008, and have issued my report thereon dated June 30, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the basic financial statements as of December 31, 2008, resulted in an unqualified opinion.

REPORT ON INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS:

Compliance ☐ Yes ☒ No
Compliance Material to Financial Statements

Internal Control ☐ Yes ☒ No
Material Weaknesses ☐ Yes ☒ No
Other Conditions Yes No

Federal Awards

Not applicable

Identification of Major Programs

No major programs identified

FINANCIAL STATEMENT FINDINGS:

None.

PRIOR YEAR FINDINGS AND QUESTIONED COSTS:

No matters were reported

VERNON PARISH ASSESSOR
Leesville, Louisiana

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2008

There were no findings reported in the audit report for the year ended December 31, 2008.